



CITY OF
TUCSON

OFFICE OF THE
CITY MANAGER

July 27, 2010

The Honorable Gabrielle Giffords
U.S. House of Representatives
1728 Longworth House Office Building
Washington DC 20515

Dear Congresswoman Giffords,

The City of Tucson Mayor and Council have adopted a memorial relating to predatory lending declaring their support for the federal Predatory Lending Sunset Act. Enclosed is the memorial.

Please do not hesitate to contact me with any comments, questions or feedback.

Sincerely,

Mike Letcher
City Manager

Enclosure: City of Tucson Memorial Supporting the Federal Predatory Lending Sunset Act

ADOPTED BY THE
MAYOR AND COUNCIL

July 7, 2010

A MEMORIAL

RELATING TO PREDATORY LENDING; DECLARING SUPPORT FOR THE FEDERAL
PREDATORY LENDING SUNSET ACT.

TO THE CONGRESS AND THE PRESIDENT OF THE UNITED STATES OF
AMERICA.

YOUR MEMORIALIST RESPECTFULLY REPRESENTS AS FOLLOWS:

WHEREAS, the practice of writing exploitative payday loans is a widespread blight on our communities, affecting the fragile finances of many people who are already burdened by the current economic downturn costing Arizona families nearly \$149 million each year; draining \$23 million from Tucson and Pima County households; and

WHEREAS, over 700 payday lenders charging up to 459% annual percentage rate (APR) for a two-week loan are located throughout Arizona; and

WHEREAS, in November of 2008, Arizona voters rejected the payday lending industry funded ballot initiative called the "Payday Reform Act" that would have allowed these egregious interest rates to continue by an overwhelming 60% to 40% margin; and

WHEREAS, payday lenders will no longer be able to charge triple-digit interest rates when their exemption to Arizona's 36% rate cap expires in July 2010; and

WHEREAS, Congresswoman Giffords has introduced a federal bill to amend the Truth in Lending Act to provide an interest rate cap and other requirements for creditors making payday loans:

NOW, THEREFORE, YOUR MEMORIALIST, THE MAYOR AND COUNCIL OF
THE CITY OF TUCSON, ARIZONA:

SECTION 1. Declares that the City of Tucson Mayor and Council stands in support
of the Predatory Lending Sunset Act, which will establish a national 36% usury rate on
payday loans and repeal authorization for lenders to solicit and hold borrowers' unfunded
checks or gain access to their bank accounts. This bill guarantees that consumers
nationwide benefit from the same protections that Arizonans have demanded.

SECTION 2. The City Clerk is hereby authorized and directed to send a copy of
this Memorial to each member of the Arizona Congressional Delegation and the President
of the United States.

PASSED, ADOPTED, AND APPROVED by the Mayor and Council of the City of
Tucson, Arizona, July 7, 2010.

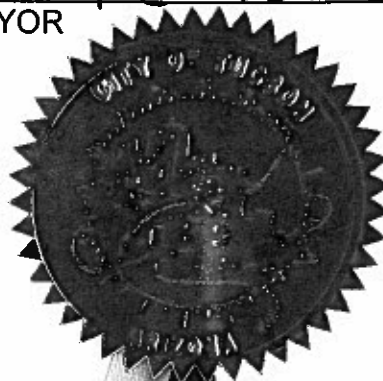


MAYOR

ATTEST:




CITY CLERK



APPROVED AS TO FORM:



CITY ATTORNEY

APPROVED BY:


CITY MANAGER

MR:dc
6/30/2010 2:39 PM